

# Why Employee Ownership could save your business.

Research shows that:

- Employee ownership combined with participatory management leads to better performance, increased prosperity and employee engagement.
- Businesses part-owned by employees tend to develop strong links to the local community.
- Managers and the employees are on the same side, developing a high trust partnership culture.
- Employee owned businesses are characterised by sustainability and staying put in the local community.

## How it works – *employees and communities together*

“ The amount of cooperation it took to make this happen was amazing. Everyone was involved: the International Union of Engineers, the First Agric Bank, management, labour. ”

*Don Madison – President, Marland Mold*



## There's no need to let good companies close.

For more information on the options available, contact the Australian Employee Buyout Centre:

→ **Buyout Hotline**  
04 33 98 94 77

→ **Website**  
[www.aebc.org.au](http://www.aebc.org.au)

→ **Email**  
[info@aebc.org.au](mailto:info@aebc.org.au)



AEBC is funded by the Australian Government.

# SECURING THE FUTURE SAVING JOBS



**Employee Ownership**  
*A new way to keep businesses alive*



# Keeping a Good Business In Business

No-one likes to see a good business close, especially when that closure is avoidable.

Good businesses close for a number of reasons, for instance lack of access to capital, lack of succession planning, poor management or for relocation.

## There is another way.

Employees or local communities can take partial or complete ownership of a business through a buy-out or buy-in plan.

This gives employees and other stakeholders a genuine stake in the business, and an even stronger reason to make that business prosper and grow.

If you are an accountant, bank manager, trade unionist or adviser to a company that needs renewal, or if you work at one, you need to consider the option of employee or community ownership.

The first step is to contact the Australian Employee Buyout Centre (AEBC).

AEBC has been established with \$1.6m funding from the Australian Government to help businesses make the transition to employee-ownership.



## → How the process works – communities working together

We can help you keep a good business in business.

Contact AEBC

Business Assessment

Establish buyout/  
buy-in team

Prepare business plan

Negotiate with current owners

Mentoring & management assistance



## CASE STUDY

### Planned Commercial Refrigeration (PCR)

PCR was based in western Sydney and was a loss making division of a firm owned in Adelaide, but managed from Melbourne. Its plant produced commercial refrigeration for supermarkets and delis. It was purchased by its 65 employees, with assistance from a cooperative development agency, when it was going to be sold and closure was likely. The new company was re-financed and the business returned to profitability as a result of substantial increases in productivity and innovation, with all the jobs saved.

**The Amalgamated Metal Workers Union assisted with the transition to employee ownership at the time.**

## CASE STUDY

### Kenilworth Country Foods (QLD)

When global food giant Kraft decided to close its cheese plant in Kenilworth, in the Sunshine Coast hinterland, the employees decided to take their futures into their own hands. They bought the plant and created a new business producing specialty cheeses.

**Kenilworth Country Foods is now a successful boutique cheesemaker, providing local jobs and supporting local suppliers in regional Queensland.**